

# EXHIBIT H

Gorospe, James Kevin

March 19, 2008

Sacramento, CA

Page 1

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

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IN RE: PHARMACEUTICAL ) MDL NO. 1456  
INDUSTRY AVERAGE WHOLESALE ) CIVIL ACTION:  
PRICE LITIGATION ) 01-CV-12257-PBS  
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THIS DOCUMENT RELATES TO: ) Judge Patti B. Saris  
U.S. ex rel. Ven-A-Care of )  
the Florida Keys, Inc. v. ) Magistrate Judge  
Abbott Laboratories, Inc., ) Marianne B. Bowler  
et al. )  
Case No. 06-CV-11337-PBS )  
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WEDNESDAY, MARCH 19, 2008

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VIDEOTAPED DEPOSITION OF

JAMES KEVIN GOROSPE

Reported By: JOANIE MURAKAMI, CSR No. 5199

Registered Merit Reporter

Certified Realtime Reporter

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<p style="text-align: right;">Page 70</p> <p>1 piece of legislation was introduced in either --</p> <p>2 at the federal level or state level, the</p> <p>3 department or our legislative folks would send</p> <p>4 that to us to ask if we would -- if we perceived</p> <p>5 any potential impact on the program, whether it</p> <p>6 be a policy impact or budgetary impact.</p> <p>7 Q. Okay. Did that analysis that you did,</p> <p>8 did that include reimbursement issues?</p> <p>9 A. I don't recall.</p> <p>10 Q. Okay. If there was pronouncements or</p> <p>11 reports issued by the federal government relating</p> <p>12 to reimbursement issues that might apply to the</p> <p>13 Medi-Cal program, is that something that you</p> <p>14 would have followed?</p> <p>15 A. Yes.</p> <p>16 Q. It says here that you negotiated</p> <p>17 supplemental drug rebate contracts with</p> <p>18 manufacturers as well. Tell me about that duty.</p> <p>19 A. The Medi-Cal program has a process to</p> <p>20 review drug products for addition to its Medi-Cal</p> <p>21 list of contract drugs. Part of that process is</p> <p>22 to assess the cost, the net cost to the Medi-Cal</p>	<p style="text-align: right;">Page 72</p> <p>1 A. Correct.</p> <p>2 Q. And these rebate contracts are between</p> <p>3 State of California and the manufacturers,</p> <p>4 correct?</p> <p>5 A. Correct.</p> <p>6 Q. Are they drug specific or are there</p> <p>7 multiple drugs built into a single contract?</p> <p>8 A. It can be both.</p> <p>9 Q. So there's instances where you've got a</p> <p>10 supplemental rebate contract with a manufacturer</p> <p>11 that has multiple -- provides further rebate on</p> <p>12 multiple drugs and then you've got some -- you've</p> <p>13 had some rebated contracts, supplemental rebate</p> <p>14 contracts that are limited to a single drug?</p> <p>15 A. That is correct.</p> <p>16 Q. And is the formula used to calculate</p> <p>17 the supplemental drug rebate the same in all of</p> <p>18 these rebate contracts?</p> <p>19 A. No.</p> <p>20 Q. Okay. How does it differ?</p> <p>21 A. The formula differs depending on the</p> <p>22 type of contract.</p>
<p style="text-align: right;">Page 71</p> <p>1 program of particular drugs.</p> <p>2 One way to -- we use to lower the net</p> <p>3 cost to the program is to sign contracts with</p> <p>4 manufacturers for rebates.</p> <p>5 Q. And are those supplemental rebate</p> <p>6 contracts limited to a particular type of drug?</p> <p>7 In other words -- let me start over.</p> <p>8 Does the state have supplemental drug</p> <p>9 rebate contracts for branded drugs?</p> <p>10 A. Yes.</p> <p>11 Q. Does it have supplemental drug rebate</p> <p>12 contracts for generic drugs?</p> <p>13 A. No.</p> <p>14 Q. Why not?</p> <p>15 A. The state attempted to do supplemental</p> <p>16 rebate contracting with generic companies and was</p> <p>17 unsuccessful.</p> <p>18 Q. What was the formula or what has been</p> <p>19 the formula used to calculate the supplemental</p> <p>20 drug rebates -- let me back up a little bit.</p> <p>21 These are rebates that manufacturers</p> <p>22 pay to the State of California, correct?</p>	<p style="text-align: right;">Page 73</p> <p>1 In general, we have two types of</p> <p>2 contract. We have contracts based on average</p> <p>3 manufacturer's price and we have contracts that</p> <p>4 are based on the net cost.</p> <p>5 Q. For those based on average</p> <p>6 manufacturer's price, I take it that the rebate,</p> <p>7 the supplemental rebate amount is some percentage</p> <p>8 of AMP?</p> <p>9 A. That is correct.</p> <p>10 Q. And is it, for those type of contracts,</p> <p>11 is the percentage of AMP the same in all</p> <p>12 contracts?</p> <p>13 A. No.</p> <p>14 Q. Okay. So the percentage varies?</p> <p>15 A. Correct.</p> <p>16 Q. And do you know the range of the</p> <p>17 percentage of AMP that has been in these</p> <p>18 supplemental rebate contracts?</p> <p>19 A. The range has been from one percent to</p> <p>20 in excess of a hundred percent.</p> <p>21 Q. And when did the state begin entering</p> <p>22 into these AMP based supplemental rebate</p>

19 (Pages 70 to 73)

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